

Renewed fight to save SA's rating

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the listed bond market to refinance these, they might need an “anchor bid” by the Public Investment Corporation, which holds more than three quarters of all SOE debt.

In its report on the five SOEs, Moody's expressed concerns about “funding and liquidity risks stemming from increased market concerns over the governance and oversight of SOEs”. It said the five were singled out because of the weakness of their standalone credit profiles, dependence on “sizeable uplift” from government for their ratings and high reliance on market funding. The agency specifically expressed concerns about other lending institutions, following the lead of Futuregrowth, whose Andrew Canter went public last week on its decision not to lend to six SOEs.

Deputy President Cyril Ramaphosa promised in Parliament recently that there would soon be reforms to SOEs, while Treasury deputy director-general Anthony Julies told a tax conference last week the finance minister would announce a package of reforms in next month's budget to reassure ratings agencies.